BOB F. ANDERSON, PE, INC.

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April 7, 2003

Honorable James H. Welsh, Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

James Formation, Reservoir D Benson Field DeSoto Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of SILVER OAK OPERATING, INC., (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the James Formation, Reservoir D, Benson Field, DeSoto Parish, Louisiana:

- 1. To dissolve the drilling and production units designated JAMES RD SUA and JAMES RD SUB established for the exploration for and production of gas and condensate from the James Lime Formation, Reservoir D, created by Office of Conservation Order No. 496-D-9, in the Benson Field, DeSoto Parish, Louisiana.
- 2. To simultaneously with the dissolution of the aforesaid units, to create three (3) 640 +/-acre drilling and production units to be designated JAMES RD SUE, JAMES RD SUF and JAMES RC SUG for the exploration for and production of gas and condensate from horizontal wells drilled to the James Formation, Reservoir D, Benson Field, DeSoto Parish, Louisiana, as shown on the attached plats and made a part hereof.
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property within each of the proposed units in accordance with Section 10, Title 30, of the Louisiana

6. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

The James Lime Formation, Reservoir A and the James Formation, Reservoir D, in the Benson Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 496-D, effective April 1, 1980.

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained at the expense of the requesting party.

A pre-application notice was mailed to all parties stating a time and date for a conference to discuss the application and objections thereto, however no request for a conference was received, therefore no conference was held.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this intended application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list.

Our check, made payable to the Office of Conservation, is attached to cover the applicable hearing fee.

Yours truly,

JEEMS BISSELL

